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The manner in which Francke sets off his subject, and shows all its relations to the great questions of industrial policy and development, technical progress, and the social questions of the day, may be taken as a model of the economic monograph. At the same time this kind of study may be accepted as the best defense of modern German methods in economics, and we may confidently leave the judgment to posterity, whether this method, or the endless discussion of certain so called theoretical questions has done more to promote the understanding of economics.

ERNST VON HALLE.

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*First Stages of the Tariff Policy of the United States.* By WILLIAM HILL. Publications of the American Economic Association, vol. viii. No. 6, pp. 162.

IN the present monograph, Mr. Hill has undertaken an exhaustive review of American tariff legislation from earliest colonial times down through the passage of the first Federal Tariff Act of 1789. He has covered in a satisfactory fashion a field which had never before received careful attention ; and the scholarly thoroughness and judgment with which the investigation has been done makes it a distinct contribution to early American economic history. Little, except an antiquarian interest, now attaches to colonial tariff legislation, particularly as it does not appear to have exercised any influence over the subsequent development of our tariff policy. Economic conditions were then simple, and presented little occasion or opportunity for tariff experimentation. Such duties as were imposed by the colonies, were levied as the most convenient method of providing an income for government, and were selected without much regard to ulterior effects. Protection did not emerge as an element in our tariff legislation until after the separation from England ; and even then it was of slow growth. Much interest attaches to the growth of this first protective feeling, after 1783 ; and Mr. Hill has done well in carefully sifting the evidence for the existence of a common sentiment at this time. During the first seven years following the assertion of independence little tariff legislation was enacted by the States. There then existed a strong sentiment in favor of free commerce, and a general dislike of taxation in any form. But after the peace of 1783, the States began to

overhaul their tariff laws, and the revisions generally followed along the lines of protection. A strong feeling then began rapidly to develop in favor of a policy of commercial restriction. It was the result of mixed causes. Partly and principally it represented a reaction against the illiberal policy of England, partly it was the result of a vague fear of the destructive effects of foreign competition, and partly it sprang from the anxiety that was felt at the existence of an adverse balance of trade, which threatened to rob the country of its specie in 1783 and 1784. But whatever its origin, there can be no doubt of the existence of a widespread sentiment in favor of the encouragement of domestic industry at this time, and it shaped the legislation that was adopted by the States. This same sentiment found expression in the act of 1789. Such is the contention of Mr. Hill. He represents the act of 1789 as a result of the deliberate adoption of the protective principle by the first Congress under the present constitution. In this he seems to me to go too far. What he says is undoubtedly true—that “no voice was raised against the principle of protection.” On the other hand, it is to be remembered that there was no very energetic or consistent championship of the principle of protection. The fact is that principles were not on trial at this time. The tariff debate of 1789 discloses a singular dearth of discussion on questions of general principle. The one principle, if any, on which the Act of 1789 may be said to have been founded was that described by Madison as the “principle of mutual concession.” Protection, as a general principle of tariff legislation—as a thing good in itself—was not then understood. Protection was more distinctly a local issue in 1789 than at any subsequent period of our tariff history. Hartley, Fitzsimmons, Ames and the other leading protectionists of the time, such as they were, had not yet risen to the conception of a national economic interest which demanded protection as its safeguard and animating force. They were concerned and content, each to snatch whatever advantage he could for the local interests he represented; and grudgingly conceded the small measure of favor asked in return. No well-founded general conclusion, either in favor of or against the principle of protection, can be drawn from the debates of 1789. The question had not yet been raised in a form that required a definition of attitude, and local interests rather than general principles decided the votes on the first tariff act.